



A Study on Farmer Satisfaction With Respect To Agricultural Finance by Co-Operative Bank

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ABSTRACT

This paper examines the satisfaction to agriculture finance by Co-operative bank. Most of the times farmers suffer from the problem of inadequate financial state. Technical inputs can be purchased and used by farmers only if sufficient money (funds) is available with farmers. In this study objectives are to study the farmers satisfaction about agriculture finance provide by co-operative bank, to know economic & financial and agri production capacity of farmer at Tapi district, to study the various factors affecting agriculture finance provide by co-operative bank to farmer. The entire project of researcher is based on questionnaire and the analysis show the project is of descriptive design and exploratory in nature. In this study the primary data were generated through questionnaire. For this study, the sample size taken for the survey is of 126 people from Tapi district. The sampling technique used in this study is non-probability convenience sampling. The majority of the farmers in their family earning member is 1 which constituted highest 55. The majority of farmers purchase of farming machinery and equipment which is highest constituted 39.7. The majority of farmers do investment in an irrigation which is highest constituted 41.3. Government makes attempts through their various schemes of agriculture finance with the aim of helping and motivate farmers for the growth. This attempt is a major motivation to farmers to make the growth in agriculture and scheme of finance is a continuous and make effort of the government to encourage farmers.

Keywords: Agriculture Finance, Co-Operative Bank, analysis, Study

INTRODUCTION

Finance in agriculture is as important as development of technologies. Technical inputs can be purchased and used by farmers only if sufficient money (funds) is available with farmers. Most of the times farmers suffer from the problem of inadequate financial state. This situation leads to borrowing from an easy and comfortable source. Professional money lenders were the only source of credit to agriculture till 1935. They used to charge unduly exorbitant rates of interest and follow serious practices while giving loans and recovering them. As a result, farmers were heavily burdened with debts and many of them are left with perpetuated debts. With the passing of Reserve Bank of India Act 1934, District Central co-operative Bank and Land Development Banks, agricultural credit. The co-operative banks advance credit mostly to agriculture. The procedures and amount of loans for various purposes have been standardized. Among the various purposes "Crop loan" (short-term loan) has the major share. In addition, farmers get loans for the purchase of electric motor with pump, tractor and other machinery, digging wells or boring wells, installation of pipe lines, drip irrigation, planting fruit orchards, purchase of dairy animals and for many other allied enterprises.

LITERATURE REVIEW

Siva Reddy (2020) conducted study on "A study on farmers awareness on agriculture loans in rural areas with reference to Rayalaseema region, Andhra Pradesh" This paper looks at the worries and issues in Agriculture loans in rural areas Rayalaseema region in Andhra Pradesh. So as to adequate administration of Andhra Pradesh is proposed to give Rs. 69548.83 Cores towards Agriculture Credit for the year 2015-16. The Government of Andhra Pradesh has structured a system to change the Agriculture and Allied divisions in Partnership with International Crops Research Institute (ICRISAT). This methodology will be operationalized in a staged way setting the gauges for another improvement worldview in order with the change situations to empower. The objectives to study the extent of awareness among the farmers pertain to settlement of agriculture loans and to analyze the influence of education of farmers on awareness of agriculture loans.

N. A. Kavitha (2016) conducted study on "A Study of Customer Satisfaction and Perception towards the Services of Co-Operative Banks" This paper attempts to study the cooperative banks customer perception of service quality in the cooperative banks sector. The objectives are to understand the customer's satisfaction and perception towards the services of co-operative sector banks, to get an overview about the services and performance of co-operative banks. Responses of 120 customers were randomly selected for knowing their experience with the bank. The analyzed showed that and the customers of bank were highly satisfied with their services and attitude of the employees but they express their dissatisfaction towards the less

technological advancements.

Deepa S. Raj and Edwin Prabu (2016) conducted study on “Agricultural Credit by Co-operatives in Tamil Nadu” This paper examines the impact and implications of Tamil Nadu’s agricultural loan waiver scheme of 2016, based on data collected through a field survey of seven districts of the state as well as farm loan transactions data obtained from select primary agricultural co-operative credit societies. The state government’s loan waiver scheme was applicable only to agricultural loans availed by small and marginal farmers, while other farmers with land holdings of above 5 acres were not eligible for the waiver benefit.

Anil Kumar Soni and Dr. Harjinder Singh (2012) conducted study on “Role of co-operative bank in agricultural credit based on Chhattisgarh” The objectives is to study the performance of cooperative banking in respect of agricultural credit and rural development, to study the role of cooperative bank in agricultural credit, to study the agricultural credit structure of the cooperative bank. The present study is based on the secondary data published by office of the Registrar of Cooperative societies, Chhattisgarh, Raipur. The required data and literature for the study purpose were collected from the number of reference books, Journals and Internet. The co-operative banks in India supporting development of agriculture and rural areas.

Heiko and Cihak (2007) conducted study on “Co-operative Banks and Financial Stability” The finding of their study on co-operative banks and their financial stability. The study was based on individual bank data drawn from the bank scope database for 29 major advanced economies and emerging markets that were members of the Organization for Economic Co-operation and Development (OCED). They found that co-operative banks in advanced economies and emerging markets had higher scores than commercial banks, suggesting that co-operative banks were more stable.

OBJECTIVE

- To study the farmers satisfaction about agriculture finance provide by co-operative bank
- To know economic & financial and agri production capacity of farmer at Tapi district
- To study the various factors affecting agriculture finance provide by co-operative bank to farmer.

RESEARCH METHODOLOGY

The research is an exploratory followed by descriptive one because the entire project is based on questionnaire and analysis which is of exploratory nature followed by the detailed description and analysis show the project is of descriptive design also. In this research primary data for the present study. Primary data were generated through questionnaire for this study. A well structured questionnaire was prepare and distributed to collect information. The study has been conducted in the Tapi district were the population for the research was general people. For this study, the sample size taken for the survey is of 126 people from Tapi district. The sampling technique used in this study is non-probability convenience sampling. In such a techniques research seeks his or her own convenience to reach the ultimate target group. Statistical techniques like simple percentage analysis, frequency distribution table, cross-tabulation between different variable, T-test, various chart by MS Excel and SPSS has been used for data analysis.

ANALYSIS

Table: 1

		Frequency	Percentage
Gender	Male	87	69.0
	Female	39	31.0
Age	18 to 25 years	28	22.2
	26 to 40 years	51	40.5
	41 to 50 years	39	31.0
	51 to 60 years	8	6.3
Education	Less than 10 th	36	28.6
	Up to 12 th	45	35.7
	Graduate	38	30.2
	Post Graduate	7	5.6
Number of earning members	One	70	55.6
	Two	33	26.2
	Three & above	23	18.3

The study of farmer satisfaction about agriculture finance found that 69% farmers were male and 31% farmers were female respondents. Majority of the farmers age group has between 26-40 years which considered highest 40.5% of sample population. 126 of respondents were represent done with graduate which constituted highest 30.2% of sample population. The majority of the farmers in their family earning member is 1 which constituted highest 55.6% of sample population.

Table: 2

To know economic, financial and agri production capacity of farmer

Particular	Frequency	Percent
Individual income of family		
Up to Rs.1,00,000	23	18.3
Rs.1,00,001 – Rs.3,00,000	55	43.7
Rs.3,00,001 – Rs.5,00,000	34	27.0
Above Rs.5,00,000	14	11.1
For how many years you have engaged in farming?		
1-5 years	35	27.8
6-10 years	49	38.9
11-15 years	28	22.2
More than 20 years	14	11.1
How much land do you have to cultivate?		
1-5 acres	36	28.6
6-10 acres	40	31.7
11-15 years	34	27.0
More than 16 acres	16	12.7
How much lands do you production in a year?		
1-5 acres	37	29.4
6-10 acres	50	39.7
11-15 years	27	21.4
More than 16 acres	12	9.5
How much land is vacant during the whole year without cultivating?		
1-5 acres	99	78.6
6-10 acres	16	12.7
11-15 years	9	7.1
More than 16 acres	2	1.6
Which season you prefer for your agriculture production?		
Winter	69	54.8
Summer	13	10.3
Monsoon	44	34.9
How do you get information about agricultural finance loan of co-operative bank?		
Advertisement	54	42.9
Relatives	23	18.3
Friends	24	19.0
Banks	20	15.9
Others	5	4.0
What is your opinion about interest rate charged by the bank on agricultural finance loan?		
High	75	59.5
Low	21	16.7
Medium	30	23.8
What's the first investment that you would like to make in agriculture?		
A tractor	26	20.6
An irrigation	52	41.3
A storage facility	24	19.0
Improved seeds, pesticides etc.	24	19.0

The total 126 respondents in that the highest income of family is between Rs. 1,00,000-Rs. 3,00,000 that is 43.7% . The majority of the farmers do farming since 6-10 years which constitute highest 38.9% of sample population. The 126 farmers respondents farmers cultivate the land in 6-10 acres which is highest constitute of 31.7%. The majority of the farmers do production since 6-10 years which constitute highest 39.7% of sample population. 126 of respondent's farmers land is vacant between 1-5 acres which constituted highest 78.6% of sample population. The farmers most prefer the season for production is winter which is constituted 54.8%. The farmers get more information about loan through advertisement which is highest constituted 42.9%. The highest interest rate on agriculture finance which is constituted 59.5%. The majority of farmers purchase of farming machinery

and equipment which is highest constituted 39.7%.The majority of farmers do investment in an irrigation which is highest constituted 41.3%.

Table : 3

The satisfaction towards agricultural finance by co-operative bank

Association between fixed interest rate and preference of agriculture finance services which constituted highest value 0.076 which rate of interest is reasonable and above 0.05. Association between production in a year and satisfaction towards agricultural finance majority in floating interest rate which constituted highest value 0.611 and above 0.05.

Particular	Mean	Standard deviation	Pearson Chi-Square	Result
Represent association between income of family and satisfaction in agriculture finance				
Are you satisfied with the water distribution with using the irrigation service?	3.22	1.414	0.015	H0 is rejected
Do you satisfied with the agriculture Equipments provided by the co-operative bank?	3.27	1.216	0.028	H0 is rejected
Do you satisfied with agriculture Fertilizers services provided by co-operative bank?	3.14	1.198	0.641	H0 is accepted
Co-operative bank provide Fixed interest rate to you to avail agricultural finance?	2.92	1.204	0.076	H0 is accepted
Co-operative bank provide Floating interest rate to you to avail agricultural finance?	2.98	1.226	0.010	H0 is rejected
Are you satisfied in the Government policies of Agricultural finance?	3.06	1.225	0.001	H0 is rejected
Are you satisfied by the Crop loan, Tractor loan, Irrigation loan, Crop insurance, Dairy loan, Farmer accidental insurance, etc. services provided by co-operative bank?	3.32	1.354	0.223	H0 is accepted
Co-operative bank provides credit to farmers in minimum rate of interest which is affordable?	2.96	1.261	0.016	H0 is rejected
What is the opinion about customer service in co-operative bank?	3.02	1.271	0.044	H0 is rejected
Represent association between engaged in farming and satisfaction agricultural finance				
Are you satisfied with the water distribution with using the irrigation service?	3.22	1.414	0.246	H0 is accepted
Do you satisfied with the agriculture Equipments provided by the co-operative bank?	3.27	1.216	0.321	H0 is accepted
Do you satisfied with agriculture Fertilizers services provided by co-operative bank?	3.14	1.198	0.560	H0 is accepted
Co-operative bank provide Fixed interest rate to you to avail agricultural finance?	2.92	1.204	0.234	H0 is accepted
Co-operative bank provide Floating interest rate to you to avail agricultural finance?	2.98	1.226	0.611	H0 is accepted
Are you satisfied in the Government policies of Agricultural finance?	3.06	1.225	0.548	H0 is accepted
Are you satisfied by the Crop loan, Tractor loan, Irrigation loan, Crop insurance, Dairy loan, Farmer accidental insurance, etc. services provided by co-operative bank?	3.32	1.354	0.348	H0 is accepted
Co-operative bank provides credit to farmers in minimum rate of interest which is affordable?	2.96	1.261	0.661	H0 is accepted
What is the opinion about customer service in co-operative bank?	3.02	1.271	0.153	H0 is accepted

RESULT

The majority of the farmers in their family earning member is 1 which constituted highest 55. The total 126 respondents in that the highest income of family is between Rs. The majority of the farmers do farming since 6-10 years which constitute highest 38. The 126 farmers respondents farmers cultivate the land in 6-10 acres which is highest constitute of 31.7%. The majority of the farmers do production since 6-10 years which constitute highest 39. 126 of respondent's farmers land is vacant between 1-5 acres which constituted highest 78. The majority of farmers purchase of farming machinery and equipment which is highest constituted 39.7%. The majority of farmers do investment in an irrigation which is highest constituted 41.3%. Association between fixed interest rate and preference of agriculture finance services which constituted highest value 0.076 Association between production in a year and satisfaction towards agricultural finance majority in floating interest rate which constituted highest value 0.611.

CONCLUSION

The objective of this study is that a study of agricultural finance with respect to farmers in co-operative bank included that the government through its various schemes of finance to agriculture aim at helping farmers and by helping it attempts to promote the growth and productivity of agriculture. This enhancing attempt is a major encouragement to farmers to sustain the growth in agriculture. The scheme of finance explained is a continuous and sustained effort of the government to encourage farmers.

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